

## Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 109506  
ORIGIN IO-13

INFO OCT-01 ARA-06 ISO-00 /020 R

66011

DRAFTED BY IO/IEP:PRCHAVEAS:JPS

APPROVED BY IO/IEP:WWWOODBURY

-----142313Z 006229 /70

R 141812Z MAY 77

FM SECSTATE WASHDC

TO AMEMBASSY SANTIAGO

LIMITED OFFICIAL USE STATE 109506

FOLLOWING REPEAT GUATEMALA 2815 ACTION SECSTATE USUN 06 MAY 77

QUOTE

LIMITED OFFICIAL USE GUATEMALA 3815

E.O. 11652: N/A

TAGS: ECLA, ECON, GT

SUBJ: ECLA: 17TH SESSION: PROCEEDINGS OF MAY 4, 1977

SUMMARY: SPEECHES BY BRAZIL, FRANCE, BOLIVIA, PERU, GRENADA, FEDERAL REPUBLIC OF GERMANY, CHILE AND A NUMBER OF INTERNATIONAL ORGANIZATIONS TODAY PRODUCED FEW FIREWORKS OTHER THAN A STRONG DEFENSE BY MINISTER DOLLARD OF GRENADA'S CHOICE AS SITE FOR ORGANIZATION OF AMERICAN STATES GENERAL ASSEMBLY NEXT MONTH. MAJOR ADDRESS BY DR. RAUL PREBISCH BEING REPORTED SEPTEL. END SUMMARY.

1. BRAZILIAN DEL DELIVERED A FAIRLY TOUGH STATEMENT FOCUSING ON EXTERNAL OBSTACLES TO DEVELOPMENT AND LACK OF COOPERATION FROM DC'S IN REMOVING THEM. HE ACKNOWLEDGED THAT GROWTH AND DEVELOPMENT ARE NOT EQUIVALENT BUT I PLICITLY TOOK ISSUE WITH  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 109506

THE EMPHASIS DURING THE SESSION GIVEN TO SOCIAL PROGRESS, E.G., INCOME REDISTRIBUTION, RATHER THAN ECONOMIC PROGRESS. HE NOTED THAT AN LDC MIGHT THEORETICALLY ACHIEVE COMPLETE UNIFORMITY OF INCOME DISTRIBUTION TO THE BENEFIT OF THE POOREST PEOPLE, BUT WITHOUT GROWTH THAT COUNTRY WOULD STILL BE FAR FROM DEVELOPED STATUS WHICH HE CLAIMED IS A RELATIVE STANDARD ESTABLISHED BY LIVING CONDITIONS IN THE INDUSTRIAL-

IZED NATIONS. HE GAVE MAJOR ATTENTION TO EXTERNAL FACTORS, REPEATING A GUATEMALAN CALL FOR "HUMAN RIGHTS FOR COUNTRIES" AND NOTED THAT INCOME DISTRIBUTION INEQUITIES ARE MUCH GREATER BETWEEN THAN WITHIN NATIONS. HE CRITICIZED DEVELOPED COUNTRIES FOR NOT SUPPORTING THE INTERNATIONAL DEVELOPMENT STRATEGY AND FOR THE LACK OF PROGRESS IN THE VARIOUS INTERNATIONAL ECONOMIC NEGOTIATIONS.

2. THE FRENCH DEL PRAISED THE WORK OF THE SECRETARIAT AND THE FRANKNESS OF THE LATIN GOVERNMENTS IN THE PAPERS PREPARED FOR THIS ECLA SESSION. HE NOTED THE PROGRESS THAT HAS BEEN MADE IN THE NORTH/SOUTH DIALOGUE IN THE LAST FOUR YEARS AND DETAILED FRENCH SUPPORT FOR DEVELOPMENT EFFORTS OF LDC'S, INCLUDING FRENCH POSITIONS IN CERTAIN INTERNATIONAL ECONOMIC NEGOTIATIONS.

3. THE BOLIVIAN STATEMENT WAS PRIMARILY A STATISTICAL REVIEW OF ACCOMPLISHMENTS UNDER THE MOST RECENTLY COMPLETED FIVE-YEAR PLAN WHICH IT NOTED WERE FACILITATED BY POLITICAL AND SOCIAL STABILITY AND PARTICIPATION IN THE DEVELOPMENT PROCESS BY ALL SEGMENTS OF SOCIETY. STATEMENT PLACED EMPHASIS ON REGIONAL INTEGRATION AS FUTURE SOURCE OF DEVELOPMENT IMPETUS.

4. PERUVIAN DEL DELIVERED A LENGTHY STATEMENT EMPHASIZING IMPORTANCE OF EXTERNAL OBSTACLES TO DEVELOPMENT WITH REFERENCE TO THE UNJUST RELATIONSHIP BETWEEN DC'S AND LDC'S AND CALLS FOR THE NEW INTERNATIONAL ECONOMIC ORDER. HE DESCRIBED GOVERNMENT PLANNING AS AN INDISPENSABLE PART LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 109506

OF THE DEVELOPMENT PROCESS AND DESCRIBED HIS GOVERNMENT'S POLICIES WITH RESPECT TO SEVERAL DEVELOPMENT OBJECTIVES. HE CONCLUDED STATEMENT WITH VERY STRONG SUPPORT FOR REGIONAL INTEGRATION AS THE ONLY CHANNEL WHICH CAN OPEN ECONOMIC HORIZONS FOR INDIVIDUAL COUNTRIES.

5. GRENADIAN DEL EXPRESSED STRONG SUPPORT FOR IDEAS CONTAINED IN AMBASSADOR YOUNG'S STATEMENT OF MAY 3 AND GREAT PERSONAL ADMIRATION FOR HIM. HE INDICATED UNHAPPINESS WITH LACK OF ATTENTION TO ISLAND ECONOMIES AND GAVE HIGH PRIORITY TO REGIONAL COOPERATION. HE THEN TOOK HEATED ISSUE AT SOME LENGTH WITH PRESS REPORTS THAT GRENADA IS NOT CAPABLE OF HOSTING NEXT MONTH'S OAS GA. HE NOTED THAT WHILE SOME WORK FOR REGIONAL AND SUBREGIONAL INTEGRATION THERE ARE ALWAYS SOME UNPROGRESSIVE THINKERS WHO TRY TO UNDERMINE SUCH EFFORTS AND THIS IS A CASE IN POINT

6. GERMAN DEL DETAILED FRG INTERESTS IN AND SUPPORT FOR

DEVELOPMENT OF LATIN AMERICA. HE NOTED ACTIVE FRG PARTICIPATION IN NORTH/SOUTH DIALOGUE AND CALLED FOR MORE DEVELOPMENT PROJECTS TO BE BASED ON MATCHING PARTICIPATION OF BOTH DONOR AND RECIPIENT GOVERNMENTS. DEL THEN EXPRESSED STRONG FRG COMMITMENT TO PERSONAL FREEDOM AS UNDERLYING ITS APPROACH TO N/S DISCUSSIONS. HE NOTED (IN STATEMENT THAT WAS SHARPLY CRITICIZED BY A NUMBER OF LATIN AMERICANS) THAT ON BASIS OF FRG'S OWN EXPERIENCE IN 1930'S THEY DO NOT BELIEVE IN ECONOMIC DECISION-MAKING BY A COSTLY BUREAUCRACY ON THE BASIS OF THEORETICAL CONCEPTS BUT ARE CONVINCED THAT THE CREATIVE EFFORTS OF A FREE PEOPLE ARE THE ONLY SOURCE OF WEALTH AND PROSPERITY.

7. THE COSTA RICAN DEL MADE A BRIEF SPEECH IN PRAISE OF THE ECONOMIC INTEGRATION EFFORTS OF THE CENTRAL AMERICAN COUNTRIES AND IN SUPPORT OF INTERNATIONAL COMMODITY ARRANGEMENTS. IN A LONG AND RATHER PASSIONATE SPEECH, LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 STATE 109506

THE CHILEAN DEL ATTEMPTED TO SHOW THAT HIS COUNTRY, DRAWING ON AN ECONOMIC MODEL STRESSING PRIVATE INITIATIVE, WAS ACHIEVING THE SOCIAL DEVELOPMENT OBJECTIVES BEING EMPHASIZED AT THIS MEETING, DESPITE VERY UNFAVORABLE EXTERNAL AND INTERNAL ECONOMIC CIRCUMSTANCES.

8. THE CANADIAN DEL NOTED THAT HIS COUNTRY WAS HAVING TO BE MORE SELECTIVE IN DISTRIBUTING ITS AID RESOURCES IN THE FACE OF PROLIFERATING DEMANDS. CANADA, HE EMPHASIZED, WOULD GIVE PRIORITY TO PROGRAMS TO WHICH THE AID RECIPIENTS HAD A GENUINE COMMITMENT. MORE OF CANADA'S ASSISTANCE WILL BE CONCENTRATED IN THE LEAST DEVELOPED COUNTRIES AND IN AGRICULTURE, ENERGY, HEALTH, HOUSING, AND TRANSPORT, SECTORS IN WHICH CANADA, HE SAID, HAS MUCH TECHNICAL EXPERTISE TO OFFER.

9. SELA SEC GEN MONCAYO REVIEWED SELA ACTIVITIES SINCE ITS FOUNDING AND SOUNDED A CALL FOR GREATER LA UNITY AS THE MEANS FOR ACHIEVING COMMON INTRA-AND EXTRA-REGIONAL ECONOMIC OBJECTIVES. IN AN OTHERWISE UNREMARKABLE SPEECH, THE ECUADOREAN DEL NOTED THAT THE GREAT POWERS WERE NOW EXTENDING THEIR TERRITORIAL WATER CLAIMS TO 200 MILES, AFTER HAVING STRONGLY OPPOSED THE SAME CLAIM MADE BY HIS COUNTRY SINCE 1952.

10. THE COLOMBIAN DEL REFLECTED ON THE INABILITY OF THE CLASSICAL FISCAL SYSTEM IN HIS COUNTRY TO GENERATE THE REVENUES NEEDED FOR SOCIAL DEVELOPMENT. HE RECOMMENDED THAT ECLA INVESTIGATE WAYS TO ACHIEVE SOCIAL OBJECTIVES CONSISTENT WITH THE DEVELOPING COUNTRY'S ECONOMIC GOALS. THE SURINAM DEL, IN A RATHER MOROSE VEIN, CHARGED FOOT-

DRAGGING ON THE PART OF THE DC'S ON THE COMMON FUND,  
DESPITE THE MODERATE POSITION OF THE G-77' AND IN THE  
CIEC. TIME IS RUNNING OUT AND CATASTROPHY, HE WARNED,  
WILL RESULT IF NORTH/SOUTH NEGOTIATIONS BREAK DOWN.  
BOSTER.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 05 STATE 109506

UNQUOTE CHRISTOPHER.

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** MEETING PROCEEDINGS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 14-May-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977STATE109506  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** PRCHAVEAS:JPS  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770172-0012  
**Format:** TEL  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1977/newtext/t19770558/aaaabxrq.tel  
**Line Count:** 182  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 9143d593-c288-dd11-92da-001cc4696bcc  
**Office:** ORIGIN IO  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 4  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 29-Dec-2004 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2522411  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** ECLA: 17TH SESSION: PROCEEDINGS OF MAY 4, 1977 SUMMARY: SPEECHES BY BRAZIL, FRANCE, BOLIVIA, PERU, GRENADA, FEDERAL REPUBLIC OF GERMANY, CHILE AND A NUMBER OF  
**TAGS:** ECON, GT, ECLA  
**To:** SANTIAGO  
**Type:** TE  
**vdkgvkey:** odb://SAS/SAS.dbo.SAS\_Docs/9143d593-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009